

COUNTY OF LOS ANGELES – DEPARTMENT OF MENTAL HEALTH

FACT SHEET

**APPROVAL OF A NEW SOLE SOURCE CONSULTANT SERVICES
AGREEMENT WITH KAREN BOLLOW
FOR FISCAL YEARS 2007-2008 THROUGH 2008-09
(ALL SUPERVISORIAL DISTRICTS)
(3 VOTES)**

REQUEST

Approve and authorize the Director of Mental Health or his designee to prepare, sign, and execute a new Department of Mental Health (DMH) sole source Consultant Services Agreement, substantially similar to Attachment I, with Karen Bollow (Consultant) to provide expert consultation and serve as a resource for DMH Contract Providers of mental health services regarding the use of Electronic Data Interchange (EDI) transactions, with DMH's new Integrated Behavioral Health Information System (IBHIS). The Total Compensation Amount (TCA) for this Consultant Services Agreement is \$334,400, fully funded by the Mental Health Services Act (MHSA) One-Time Information Technology (IT) funding for Fiscal Years (FY) 2007-08 through 2008-09. The term of this Agreement will be effective upon the date of execution through December 31, 2008. This Agreement may be extended on a month-to-month basis for up to 12 months at the discretion of the Director.

Delegate authority to the Director of Mental Health or his designee to prepare, sign, and execute future amendments to this new DMH Consultant Services Agreement and establish as a new TCA the aggregate of the original agreement and all amendments provided that: 1) the County's total payments to Consultant under this agreement for each fiscal year shall not exceed an increase of 20 percent from the applicable TCA; 2) any such increase shall be used to provide additional services or to reflect program and/or policy changes; 3) the Board of Supervisors has appropriated sufficient funds for all changes; 4) approval of County Counsel, the Chief Executive Officer and the County's Chief Information Officer (CIO) or their designee is obtained prior to any such Amendment; and 5) the Director of Mental Health shall notify the Board of Supervisors of agreement changes in writing within 30 days after execution of each Amendment.

PURPOSE/JUSTIFICATION

The purpose of the requested action is to enter into a new sole source Consultant Services Agreement with Consultant to provide expert assistance and Project Management experience in establishing a Contract Providers Transition Project (CPTP) to assist Contract Providers with identifying, planning and executing the tasks necessary to complete the transition to a fully electronic exchange of information with DMH. The CPTP will act as a dedicated liaison between the Contract Providers and IBHIS Project Management. The role of the CPTP will be one of information, guidance,

and education for Contract Providers who may not have the information systems functionality necessary for a fully electronic exchange of information with DMH. Consultant will also instruct the Contract Providers regarding DMH's EDI requirements and provide relevant information pertaining to EDI standards such as ANSI X.12, HL7, and XML.

Because DMH delivers nearly two-thirds of its mental health services through Contract Providers, the appropriate linkage between DMH processes, systems and the Contract Providers is essential for the success of the IBHIS. It is not within the scope of the IBHIS implementation to provide information systems for Contract Providers, however, DMH can, through the services of Ms. Bollow, provide advice, guidance, and information to facilitate a cost effective transition for contract providers. DMH plans, through these actions, to avoid confusion during the transition or disruption in claims processing which would negatively impact Contract Providers. Consultant's immediate role will be to help representatives of Contract Providers understand the necessity of this next change to their operational environment and provide guidance and advice to get them started on making the necessary changes.

Implementation of Strategic Plan Goals

The recommended Board actions are consistent with the principles of the Countywide Strategic Plan Programmatic Goal No. 7, "Health and Mental Health." Board approval of the recommended actions will help DMH establish a client-centered, information-based mental health services delivery system that provides cost-effective and quality services within DMH and prepares DMH to collaborate more effectively with other County departments.

The recommended Board actions are consistent with the County's CIO Goals No. 1, 2, and 3. Board approval of the recommended actions will help DMH conduct County business electronically, provide secured access to electronic applications and utilize enterprise solutions to meet common needs.

The recommended Board actions are consistent with DMH Business Goals No. 1, 4, and 5. Board approval of the recommended actions will help DMH implement, manage, and report on the major new programs funded through MHSA; implement the plan for the cost-effective replacement of the legacy Mental Health Management Information System (MHMIS) and Integrated System (IS); and improve the collection of data for children (including foster children), adults, and older adults to be used for Performance Counts and other initiatives.

The recommended Board actions are consistent with the DMH IT Strategies No. 8 and 9. Board approval of the recommended actions will help DMH facilitate appropriate provider access to client information and clinical functionality regardless of the location of the provider or the client, and minimize paper and focus on digital information captured as close as possible to the point of origin.

BACKGROUND

DMH plans to select a Commercial-Off-The-Shelf (COTS) software application for an IBHIS that has a track record of success in other large mental health service delivery organizations. The application will be vendor supported and maintained and integrated with broad functionality to meet the requirements of DMH under MHSA. Major COTS application suites in the mental health services marketplace have, in addition to the core clinical functionality that DMH needs so badly, tightly integrated financial and claims processing modules to meet the information integration needs in the delivery of quality mental health services.

Once an agreement has been executed with a software vendor for the IBHIS, implementation is expected to take approximately 24 months. At the end of that period, both the "wrapper" IS and the legacy MHMIS will be retired, and Contract Providers will no longer be direct users of the DMH information system. DMH recognizes that this may pose a significant challenge for some of our Contract Providers, especially the smaller providers that currently do not use information systems but are an important part of the DMH provider network. It is in our mutual interest, and certainly in the interest of our clients, to provide expert consultation in an effort to prepare Contract Providers to exchange electronic information, through the use of EDI transactions, with DMH's new IBHIS.

The proposed agreement will provide consulting services to representatives of Contract Providers in the following areas:

- Project Planning
- Project Management Guidance
- Risk Mitigation Guidance
- Data Exchange Requirements
- Procurement Process Guidance
- RFP Development Guidance (or other procurement vehicle, if appropriate)
- Vendor Selection Criteria Guidance
- Contract Negotiations Guidance
- Implementation Planning Guidance

- Project Status Reporting

Currently, DMH does not have the expertise or the availability of resources to successfully execute such a transition without external assistance. This effort requires a consultant with proven information systems experience in the mental health care arena. Consultant has the appropriate experience, knowledge and skills to manage an effort of this magnitude and technical complexity. Consultant will be involved from the formal initiation of this project through initial migration, after which management of additional migrations will shift to DMH staff who will have gained experience by working with Consultant in supporting the CPTP.

DMH has met the County's requirement for advance notification of intent to negotiate a sole source services contract of \$250,000 or greater in its notification letter to your Board dated February 15, 2007.

CONTACT INFORMATION

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